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DE RUEHKT #1016/01 1111021 ZNY CCCCC ZZH O 211021Z APR 06 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 1181 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 4245 RUEHLM/AMEMBASSY COLOMBO PRIORITY 4507 RUEHCP/AMEMBASSY COPENHAGEN PRIORITY 0314 RUEHKA/AMEMBASSY DHAKA PRIORITY 9603 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 2499 RUEHLO/AMEMBASSY LONDON PRIORITY 3896 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 9611 RUEHNY/AMEMBASSY OSLO PRIORITY 0222 RUEHOT/AMEMBASSY OTTAWA PRIORITY 0177 RUEHTC/AMEMBASSY THE HAGUE PRIORITY 0287 RUEHKO/AMEMBASSY TOKYO PRIORITY 0782 RHEFDIA/DIA WASHDC PRIORITY RHHMUNA/CDR USPACOM HONOLULU HI PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

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TAGS: PREF PREL NP

SUBJECT: INDIA AND JAPAN CONCERNED ABOUT BHUTANESE REFUGEES

REF: A. NEW DELHI 2602

¶B. KATHMANDU 991

¶C. KATHMANDU 965

¶D. KATHMANDU 894

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

Indians Still Thinking of Pressuring Bhutan

11. (C) On April 20, Foreign Secretary Shyam Saran told the Ambassador that he had raised the issue of refugees during his April 18 visit to Thimpu (ref A) to see whether he could get something going. He opined that the best way forward was for India to pressure Bhutan to take a token hundred refugees back. When FS Saran noted that India feared that it would be hard to get Bhutan to accept explicit, benign conditions for the returnees, the Ambassador worried that few refugees would want to return without minimal guarantees. FS Saran explained that the international community would be watching, and that would provide the refugees with the needed minimal guarantees. He stressed that Bhutan taking a token number back would open Nepal to the idea of third country resettlement (ref B). The Ambassador underscored the urgency of the refugee situation, highlighting the difficulties the World Food Program was having in getting food supplies to the refugee camps (ref C). While the FS dismissed Nepali efforts during the 15-year bilateral negotiation process with Bhutan, he acknowledged that it was very clear that what Bhutan had done in 1990 was wrong; Bhutan could not be allowed to get away with it. Indian Foreign Ministry Joint Secretary Pankaj Saran (ref B) assured the Ambassador that Bhutanese refugees continued to be on India's agenda when talking to Bhutan.

Japanese Concerned About Resettling Refugees

12. (C) On April 19, Japanese Ambassador Hiraoka told the Ambassador that Tokyo preferred a bi-lateral resolution to the Bhutanese refugee issue rather than joining in

international community pressure. He stated that Tokyo was concerned whether Bhutan could accommodate all 105,000 refugees and whether internationalizing the issue (ref D) might result in pressuring Japan to accept large numbers of refugees, something the Government of Japan (GOJ) did not want to do. The Ambassador quickly assured Hiraoka that Japan could assist the process in other ways than resettling refugees. He noted that India was the only country that could exert pressure on Bhutan to take back some refugees and said that Indian Foreign Secretary Saran was set to talk with the Royal Government of Bhutan (RGOB) in Thimpu on April 18.

13. (C) The Ambassador explained that the USG was hoping RGOB would agree to repatriate a token number of refugees. By taking people back, Bhutan would be acknowledging that it had acted improperly in 1990, and His Majesty's Government of Nepal (HMGN) could be assured that Bhutan would not expel ethnic Nepalese still in Bhutan. Thus, HMGN would allow UNHCR verification in the refugee camps, a precursor to third country resettlement (ref D). The Ambassador suggested that Hiraoka advise Tokyo that the USG plan was not for Bhutan to take all the refugees back, but rather only a small number to get the process moving. The Ambassador noted that the USG had talked about resettling as many as 10,000 refugees an undefined period, which could amount to around half the refugee population. The Ambassador said that if Saran's visit did not yield any movement by RGOB the USG might want to move forward with internationalizing the issue. He promised to stay in touch with Hiraoka regarding the Bhutanese refugee issue.

COMMENT

14. (C) It is encouraging that India has started to focus on the Bhutanese refugee issue. Resolving the issue is becoming more urgent given the political turmoil in Nepal. While Japanese interest is also encouraging, it is obvious that Tokyo continues to worry what "internationalization" of the Bhutanese refugee issue means and what role Japan would be expected to play in such a scenario.

MORIARTY